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8 July 1967

MEMORANDUM FOR THE DIRECTOR

SUBJECT: Bunker's Weekly Telegram (Saigon 305, 5 July 1967)

- 1. The Ambassador's weekly report deals largely with the political developments of the past week, i.e., the Thieu-Ky version of the Morningside Conference and "Big" Minh's presidential candidacy. Of interest is the Ambassador's very relevant comment (para 23) that Thieu and Ky "will have to work hard" to overcome the impression that their ticket represents "an attempt to perpetuate the present military regime." Mr. Bunker also notes that, despite Ky's recent actions designed to counter the impression that the elections will be rigged, the new "combination state is likely to create even more skepticism among the Vietnamese electorate" (para 24).
- 2. General Minh's candidacy is depicted as causing other candidates to reappraise the situation. Although Minh could be eliminated through certification procedures, the Ambassador comments that a variety of possibilities "could cause a very awkward situation for the government" (para 27), in terms of dividing the military or appealing to the militant Buddhists. He concludes that our best approach is not to "interfere in this very sensitive matter" at the moment, but to let the Vietnamese settle it themselves.
- develops the theme that, contrary to "some feeling at home that we have reached a stalemate," he believes "we are making steady progress here." This is the general thrust of his presentation yesterday to SecDef in Saigon. To support his thesis, he cites some "distinctively encouraging" examples drawn from a memorandum submitted to him by General Abrams (General Westmoreland's military deputy). The first of these deals with an operation by the notoriously ppor ARVN 18th Division on June 26, in which "123 3nemy were killed against 53 ARVN killed," reflecting "greatly improved performance" by the ARVN forces involved. There is no reference to the fact that MACV has officially reported 139 ARVN troops missing in this action (para 11A). It may be that a gastle has crept in somewhere, but when this omission is looked at in the context of the second "example" (wherein a U.S. advisor is merely

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quoted as saying "an operation such as this could not have been successfully executed six months ago"), one is reminded of the rosy MACV commentaries of a few years ago when "progress was our most important product." We have heard that MACV has inaugurated an "accentuate-the-positive" campaign to rebuild ARVN's confidence and prestige in the face of its new, pacification-oriented mission. One hopes that this praiseworthy endeavor will not lead as have similar campaigns in the past -- to massive self-delusion on the part of the advisory apparatus and the U.S. Mission in general.

GEORGE W. ALLEN Vietnamese Affairs Staff

Attachment Ambassaddr Bunker's cable